RESOLUTION NO. OB12-02

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE SOUTH EL MONTE IMPROVEMENT DISTRICT APPROVING RECOGNIZED OBLIGATION PAYMENT SCHEDULES PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JANUARY 1, 2012 AND ENDING JUNE 30, 2012 AND THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2012 AND ENDING DECEMBER 31, 2012, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

RECITALS:

A. Health and Safety Code Section 34177 provides that before each six-month fiscal period, a successor agency to a former redevelopment agency must prepare a Recognized Obligation Payment Schedule ("ROPS") for the enforceable obligations of the former redevelopment agency in accordance with the requirements of Section 34177.

B. The Successor Agency to the South El Monte Improvement District (the "Successor Agency") has submitted to the Oversight Board for the Successor Agency (the "Oversight Board") a ROPS for the six-month fiscal period that commences on January 1, 2012 and ends on June 30, 2012, attached hereto as Exhibit A and incorporated herein by reference (the "First ROPS") and a ROPS for the six-month fiscal period that commences on July 1, 2012 and ends on December 31, 2012, attached hereto as Exhibit B and incorporated herein by reference (the "Second ROPS").

C. Pursuant to Health and Safety Code Section 34180(g), establishment of a ROPS by the Successor Agency shall be approved by the Oversight Board.

D. Health and Safety Code Section 34177(l)(2) provides that the First ROPS must be reviewed and certified, as to its accuracy, by an external auditor designated pursuant to Health and Safety Code Section 34182 and that the Oversight Board is to approve the certified First ROPS.

E. Pursuant to subdivisions (l)(2)(C) and (l)(3) of Health and Safety Code Section 34177, as modified by the California Supreme Court, a copy of the certified and approved First ROPS must be submitted to the California Department of Finance ("DOF") by April 15, 2012. However, by April 15, 2012, the Oversight Board did not have a quorum.

F. As of the date of this Resolution, the audit described in paragraph D has not been completed, and the First ROPS has not been reviewed and certified as to its accuracy by an external auditor. The Auditor-Controller of Los Angeles County informed staff of the Successor Agency that the audit cannot be completed by April 15, 2012. In a letter from DOF to county boards of supervisors, city administrators, and redevelopment agency successor agency representatives, dated March 2, 2012, DOF states that the First ROPS must be submitted to DOF by April 15, 2012. DOF also states in such letter that the First ROPS must be submitted to the auditor performing the agreed upon procedures audit for review, but that if the county auditor-controller states that the review of the First ROPS cannot be completed by April 15, 2012, then DOF advises successor agencies to submit the ROPS to DOF without waiting for the auditor's review. The Successor Agency to the South El Monte Improvement District submitted both ROPS to DOF on April 12, 2012.

G. DOF may review an oversight board action taken pursuant to AB X1 26. All oversight board actions shall not be effective for three business days, pending a request for review by DOF. In the event that DOF requests review of a given oversight board action, DOF shall have ten days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and such oversight board action shall not be effective until approved by DOF. In the event that DOF returns the oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for DOF approval and the modified oversight board action shall not become effective until approved by DOF.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE SOUTH EL MONTE IMPROVEMENT DISTRICT HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34180(g).

Section 3. Subject to certification of the First ROPS by an external audit in accordance with paragraph D hereof, the Oversight Board hereby approves the First ROPS and the Second ROPS and hereby directs the staff of the Successor Agency to post the First ROPS and the Second ROPS on the Successor Agency's Internet website (being a page on the Internet website of the City of South El Monte) and submit the First ROPS and the Second ROPS to the County Auditor-Controller and State Controller's Office ("SCO") and to the DOF, together with a copy of this Resolution and the telephone number and email contact information for Joann Shao, the official designated by the Oversight Board to whom DOF may make a request for review in connection with the ROPS. Unless the County Auditor-Controller, the SCO, or DOF directs otherwise, such submittal may be by mail or electronic means, and a notification providing the Internet website location of the posted documents will suffice.

Section 4. The officers of the Oversight Board and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

Name of Redevelopment Agency South El Monte Business Improvement District "District"

Project Area(s) Merged Project Area

Recognized Obligation Payment Schedules
Per AB 26 - Section 34177

	Recognized Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During January - June 2012	Source of Payment*	Payments by month: Jan	Feb	March	April	May	June	Total
1)	2005 Tax Allocation Bonds Series A	U.S. Bank	Bonds issued to fund various capital projects (80%) and housing (20%)	17,651,280.00	219,210.00	RPTTF	219,210.00						$ 219,210.00
2)	2005 Tax Allocation Bonds Series B	U.S. Bank	Bonds issued to fund various capital projects (80%) and housing (20%)	11,434,337.50	205,656.00	RPTTF	205,656.00						$ 205,656.00
3)	2007 Tax Allocation Bonds Series A	U.S. Bank	Bonds issued to fund various capital projects (47%), housing (39%) and debt service (14%)	14,118,989.00	260,425.00	RPTTF	260,425.00						$ 260,425.00
4)	2008 Tax Allocation Bonds Series A	U.S. Bank	Bonds issued to fund various capital projects (86%) and debt service (14%)	17,465,375.00	248,250.00	RPTTF	248,250.00						$ 248,250.00
5)	Kruse Family Trust Loan	Kruse Family Trust	District entered Purchase and Sale Agreement with Kruse Family Trust to purchase 1459 Santa Anita Avenue	2,251,793.00	0.00	RPTTF							$ -
6)	Contracted Services for Bonds	Urban Futures, Inc.	Consultant for Bonds Disclosure Reports	266,656.00		RPTTF							$ -
7)	Contracted Consulting Services	Economist/District Property Appraiser	Consulting work on District projects.	150,000.00		RPTTF							$ -
8)	Project Costs	Employees	Full-time saleries and benefits	916,240.00	45,812.00	RPTTF	7,635.00	7,635.00	7,635.00	7,635.00	7,636.00	7,636.00	$ 45,812.00
9)	Banking fees	U.S.Bank	Bank Trust Fee	345,600.00	5,400.00	RPTTF	900.00	900.00	900.00	900.00	900.00	900.00	$ 5,400.00
10)	Housing Fund Repayment	Successor Agency/LMIHF	Repayment for FY 09/10 SERAF Payment	330,000.00	0.00	RPTTF							$ -
11)	Professional Svcs - Annual audit	Teaman, Ramirez & Smith Inc	Annual audit	248,000.00	7,125.00	RPTTF						7,125.00	$ 7,125.00
12)	City Loan to District	City of South El Monte	Per AB 1x 26 loans to District following the first two years of formation (FY 88 - FY 91)	1,597,298.00	0.00	RPTTF							$ -
13)	Conference/Seminars/meeting	ICSC	Council and Staff	75,000.00	15,000.00	RPTTF					15,000.00		$ 15,000.00
14)	Supplies/Property Management	Office Depot, etc.	office supplies & maintenance	257,280.00	8,040.00	RPTTF	1,340.00	1,340.00	1,340.00	1,340.00	1,340.00	1,340.00	$ 8,040.00
15)	Contract professional services (e.g. legal services)	Meyers Nave/Richards, Watson, Gershon	Legal Services	4,163,665.00	65,058.00	RPTTF	10,843.00	10,843.00	10,843.00	10,843.00	10,843.00	10,843.00	$ 65,058.00
16)	Owner Participation Agreement as Amended	Mayans Development, Inc.	affordable housing units and 1st Time Home Buyer Program	340,000.00	340,000.00	RPTTF/LMIHF						340,000.00	$ 340,000.00
17)	Contracted Housing Consulting Services	OH Consulting, Inc.	Manage District's housing loans.	768,000.00	12,000.00	RPTTF/LMIHF	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	$ 12,000.00
	Sub-total [illegible]			[illegible]	1,431,976.00		[illegible]	22,718.00	22,718.00	[illegible]	[illegible]	[illegible]	[illegible]
18)	Administrative Costs	Employees	Full-time saleries and benefits	8,000,000.00	150,000.00	ACA	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	$ 150,000.00
19)	Infrastructure Projects	Municipal Contractors		1,538,839.41	1,538,839.41	Bond Proceeds							$ -
20)	Housing Loans	Contractors		37,526.00	37,526.00	Bond Proceeds							$ -
	Grand Totals			[illegible]	$ 3,158,3[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*For fiscal year 2011-12, references to Redevelopment Property Tax Trust Fund (RPTTF) could also include tax increment allocated to the Agency before February 1, 2012.

Name of Redevelopment Agency South El Monte Business Improvement District "District"

Project Area(s) Merged Project Area

Recognized Obligation Payment Schedules
Per AB 26 - Section 34177

	Recognized Obligation	Payee	Description	Total Due During July - Dec 2012	Source of Payment*	Payments by month						
						July	August	September	October	November	December	Total
1)	2005 Tax Allocation Bonds Series A	U.S. Bank	Bonds issued to fund various capital projects (80%) and housing (20%)	229,210.00	RPTTF	229,210.00						$ 229,210.00
2)	2005 Tax Allocation Bonds Series B	U.S. Bank	Bonds issued to fund various capital projects (80%) and housing (20%)	555,656.25		555,656.25						$ 555,656.25
3)	2007 Tax Allocation Bonds Series A	U.S. Bank	Bonds issued to fund various capital projects (47%), housing (39%) and debt service (14%)	620,425.00	RPTTF	620,425.00						$ 620,425.00
4)	2008 Tax Allocation Bonds Series A	U.S. Bank	Bonds issued to fund various capital projects (86%) and debt service (14%)	248,250.00	RPTTF	248,250.00						$ 248,250.00
5)	Kruse Family Trust Loan	Kruse Family Trust	District entered Purchase and Sale Agreement with Kruse Family Trust to purchase 1459 Santa Anita Avenue	165,000.00	RPTTF						165,000.00	$ 165,000.00
6)	Contracted Services for Bonds	Urban Futures, Inc.	Consultant for Bonds Disclosure Reports	4,167.00	RPTTF	4,167.00						$ 4,167.00
7)	Contracted Consulting Services	Economist/District Property Appraiser	Consulting work on District projects.	15,000.00	RPTTF	15,000.00						$ 15,000.00
8)	Project Costs	Employees	Full-time salaries and benefits	45,812.00	RPTTF	7,635.00	7,635.00	7,635.00	7,635.00	7,636.00	7,636.00	$ 45,812.00
9)	Banking fees	U.S.Bank	Bank Trust Fee	5,400.00	RPTTF	900.00	900.00	900.00	900.00	900.00	900.00	$ 5,400.00
10)	Housing Fund Repayment	Successor Agency/LMIHF	Repayment for FY 09/10 SERAF Payment	330,000.00	RPTTF	55,000.00	55,000.00	55,000.00	55,000.00	55,000.00	55,000.00	$ 330,000.00
11)	Professional Svcs - Annual audit	Teaman, Ramirez & Smith Inc	Annual audit	7,125.00	RPTTF	7,125.00						$ 7,125.00
12)	City Loan to District	City of South El Monte	Per AB 1x 26 loans to District following the first two years of formation (FY 88 - FY 91)	1,597,298.00	RPTTF	266,216.33	266,216.33	266,216.33	266,216.33	266,216.33	266,216.35	$ 1,597,298.00
13)	Conference/Seminars/meeting	ICSC	Council and Staff	$ -	RPTTF							$ -
14)	Supplies/Property Management	Office Depot, etc.	office supplies & maintenance	8,040.00	RPTTF	1,340.00	1,340.00	1,340.00	1,340.00	1,340.00	1,340.00	$ 8,040.00
15)	Contract professional services (e.g. legal services)	Meyers Nave/Richards, Watson, Gershon	Legal Services	65,058.00	RPTTF	10,843.00	10,843.00	10,843.00	10,843.00	10,843.00	10,843.00	$ 65,058.00
16)	Owner Participation Agreement as Amended	Mayans Development, Inc.	affordable housing units and 1st Time Home Buyer Program	$ -	RPTTF/LMIHF						$ -	$ -
17)	Contracted Housing Consulting Services	OH Consulting, Inc.	Manage District's housing loans.	12,000.00	RPTTF/LMIHF	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	$ 12,000.00
18)	Sub-total			3,908,441.25		2,023,757.58	343,934.33	343,934.33	343,934.33	343,935.33	508,935.35	3,908,441.25
19)	Administrative Costs	Employees	Full-time salaries and benefits	150,000.00	ACA	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	$ 150,000.00
20)	Infrastructure Projects	Municipal Contractors		1,538,839.41	Bond Proceeds							$ -
21)	Housing Loans	Contractors		37,526.00	Bond Proceeds							$ -
22)	Grand Totals			$ 5,634,806.66		$ 2,048,757.58	$ 368,935.33	$ 368,935.33	$ 368,935.33	$ 368,935.33	$ 533,935.35	$ 4,058,441.25

***For fiscal year 2011-12, references to Redevelopment Property Tax Trust Fund (RPTTF) could also include tax increment allocated to the Agency before February 1, 2012.**

04/05/2012

PASSED, APPROVED AND ADOPTED by the Oversight Board at a special meeting held on the 25th day of April, 2012.

AYES: Board Members: Aguinaga, Wallach, Munoz, Gamez, Caballero-Calleros, Digiulio

NOES: Board Members: ______

ABSENT: Board Members: ______

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CHAIR, OVERSIGHT BOARD

ATTEST:

______
ACTING SECRETARY, OVERSIGHT BOARD

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SOUTH EL MONTE)

I, Janet Martinez, Acting Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a meeting of the Oversight Board, held on the 25th day of April, 2012.

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ACTING SECRETARY, OVERSIGHT BOARD